

**INDIANAPOLIS-MARION COUNTY COUNCIL
TAX INCREMENT FINANCING STUDY COMMISSION**

APPENDIX 4: Letters from Community Organizations

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APPENDIX 4: Letters from Community Organizations

Exhibit 1: Near East Side Community Organization

From: James Taylor [mailto:jtaylor@jhbcc.org]
Sent: Tuesday, June 05, 2012 2:40 PM
To: Tribble, Hope C.
Cc: Peoni, Michael
Subject: TIFs

Mike/Hope-

For the past seven years the near eastside neighborhood has been fighting to save and find a reuse for James E. Robert School #97. Roberts School 97 was on Historic Landmarks Foundation of Indiana's "10 Most Endangered" list in 2006, 2007 and 2008. The building is viewed as a treasured gem by adjoining neighborhoods. The Near East Side Community Organization (NESCO) was able to rally neighbors to fight the demolishing of this building and in the end IPS agreed to allow the neighborhood an opportunity to find an alternative use for this facility.

School 97 was such an important centerpiece to our redevelopment efforts for East 10th Street and the broader neighborhood, that it was specifically highlighted in the **Near Eastside Quality of Life Plan**. Since the development of the QOLP, the neighborhood has explored multiple uses of this facility and on August 26, 2010 the City of Indianapolis – Department of Public Safety signed a letter of intent to move the Indianapolis Fire Department Headquarters from Mass Avenue to this site. This letter of intent was updated again on October 11, 2011.

The relocation of IFD HQ to this site does more than provide for the development of the Mass avenue site. By embedding into a neighborhood an important public safety function, you create the right climate to accelerate the redevelopment of our neighborhood. This location is on our LISC Focus corridor, one block from the Connect10ion (gateway to our neighborhood and terminus of Mass Ave, Monon Trail, and the Cultural Trail), 250 yards from the Chase Near Eastside Legacy Center and within blocks of the award winning St. Clair Place Housing Development.

The development of School 97 will be a HUGE win for our neighborhood on so many levels. But it simply doesn't happen without the expansion of the downtown TIF for the Mass Avenue site. Without this expansion in place this project and seven years of efforts are in serious jeopardy.

I have asked a couple of others to send comments about the important of our Housing TIF and the proposed Washington Street corridor. I did this quickly, so let me know if you need me to "beef" this up.

James Taylor, Chief Executive Officer

John H. Boner Community Center

2236 East 10th Street
Indianapolis, Indiana 46201
[317.633.8210](tel:317.633.8210)



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Exhibit 2: Meridian-Kessler Neighborhood Association



Date: June 11, 2012
To: TIF Study Commission, Attn.: Hope Tribble
Subj.: TIF Support

This letter is written on behalf of the Planning Committee of the Meridian-Kessler Neighborhood Association, which is currently working with the City of Indianapolis' Department of Planning to update the Meridian-Kessler Neighborhood Sub-Area Plan using form-based code.

As we develop our new plan that will drive development over the next 20 years, it has become very apparent that the stimulus that would be provided by implementing TIF for areas along the College Ave. and 38th St. corridors in the proposed North Midtown Economic Development Area are instrumental and imperative for any new redevelopment. Certain areas have languished given aging infrastructure that could be addressed via TIF and spark new development along these vital corridors.

We are hopeful that the TIF Study Commission will positively evaluate the merits of TIF for our area in order to spur infrastructure improvements and catalyst projects and rejuvenate these commercial areas for the benefit of not only our residents but visitors to North Midtown and Indianapolis as a whole. We look forward to working with the City and will provide any assistance necessary to ensure that the proposed TIF can be brought to fruition. We thank you for your interest and thoughtfulness in studying the merits of TIF and look forward to its implementation within the coming months.

Most sincerely,
Mary Tierney Owens

Chair, MKNA Land Use Committee
Co-Chair, Meridian Kessler Planning Committee
(317) 590.3565

526 East 52nd Street, Indianapolis, IN 46205
317-283-1021 www.mkna.org meridiankessler@aol.com

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Exhibit 3: Indy-east Asset Development

From: Katy Brett [mailto:kbrett@jhbcc.org]
Sent: Tuesday, June 05, 2012 4:07 PM
To: Tribble, Hope C.
Cc: James Taylor; Joe Bowling; Peoni, Michael
Subject: Near Eastside HoTIF

Hi Hope,

It's been a long time. I hope you are doing well!

I understand you are interested in hearing from neighborhood stakeholders about the value of TIFs, particularly their role in neighborhood revitalization efforts.

Indy-east Asset Development works with DMD and the Bond Bank to serve as the redevelopment coordinator of the Near Eastside HoTIF, created in 2006 along with the Near Eastside Redevelopment Area. The existence of the HoTIF has undoubtedly allowed us and other neighborhood partners to leverage additional resources which have played a part in the revitalization efforts on the Near Eastside. Our work in St. Clair Place is a direct result of the TIF, and our early successes in home sales can be attributed, at least in part, to the infrastructure improvements that the HoTIF has financed.

Since the HoTIF was created, and the first infrastructure improvements were initiated at the height of reassessment and the later property tax cap, we have worked with the Bond Bank to ensure that the TIF performs well and is not over-obligated. We believe we are modeling a way for a neighborhood-based community development corporation can work with the City to direct and manage a TIF in a way that responds to development trends and the market while enacting a neighborhood-led redevelopment project.

I'm happy to share more specifics about our work to-date if needed or to speak to this work to the Commission or others.

Thanks!

Katy

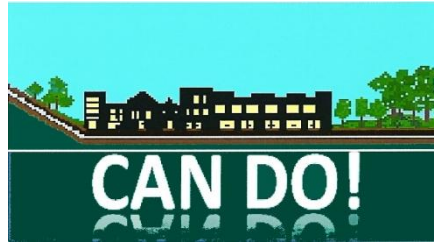
Katy J. Brett
Executive Director



2236 East 10th Street Indianapolis, IN 46201
317.808.2364 office 317.633.3006 fax

APPENDIX 4: Letters from Community Organizations

Exhibit 4: College Avenue Neighborhood Development Organization (CAN DO!)



College Avenue Neighborhood Development Organization

June 13, 2012

Dear Commissioners:

CAN DO! represents the College corridor from 38th St to 56th St and the adjacent neighborhoods from the Monon Trail to Central Avenue.

The focus of CAN DO! during the last six years has been the study of Transit Oriented, Sustainable, Smart/Green Urban redevelopment along the College corridor and working with the surrounding neighborhood organizations and a developer on a project that will provide necessary and sustainable solutions to the eroding and decaying areas in our midst as well as the crime, abandoned and vacant housing and the loss of demographics that have plagued the College corridor and its surrounding neighborhoods..

CAN DO! sponsored the Envision College Avenue sessions to help educate the community and get public input on the types of developments that will provide sustainable solutions to these problems. The consensus of the community is that the College corridor needs the type of development that will create desired destinations where people want to live, work, walk, bike, shop and play.

With the designation of the North Midtown Economic Area the City can now open the economic toolbox with a TIF to assist regional impact projects which will bring not only renewal of the area but supply jobs, housing, services for the elderly and handicapped, create places people want to be, creating economic growth and provide a large ROI to both the City and the State.

CAN DO! has attended and watched carefully the work of this TIF Study Commission. We appreciate all you have done to study the use of TIF in Marion County to date. The missing link seems to be the deferral of discussion about Impact Projects and how using TIF for those projects works. At each meeting there has been one question asked consistently but not answered: "when does the money come back to the City coffers?" That, we believe, will happen when this Commission focuses on Regional Impact projects that provide the sustainable solutions for all stakeholders.

TIF is the only tool the City really has to help neighborhoods. The missing component seems to be in the understanding that other funding sources from the State and Federal Government, as well as Private Equity, can be leveraged by the use of TIF. Those sources, however, will not come in until the City has made a commitment via TIF. It is time to use TIF correctly and expediently so that Regional Impact projects can bring back the needed monies to the City and help restore our neighborhoods.

Information on such impact projects is available and exhibit how the multiplier effects work with the use of TIF. We would ask that you take the time to review them. When one Commissioner said last week ".....shame on us for not being able to do this more efficiently...." we hope that every Commissioners is ready to learn how Regional Impact Projects using TIF can create that efficiency and dramatically improve neighborhoods in Marion County.

CAN DO! requests that this Commission recommend implementation of Regional Impact Projects immediately so that the neighborhoods which are ready can continue forward effecting positive, sustainable solutions without further delay.

Sincerely,

A handwritten signature in black ink, appearing to read "Sarah Larkin", written in a cursive style.

Sarah Larkin

CAN DO! President

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APPENDIX 4: Letters from Community Organizations

Exhibit 5: Midtown Economic Development Council

June 7, 2012

To: TIF Study Commission

From: Members and Advisors of the Midtown Economic Development Council:

Leigh Evans, Mapleton-Fall Creek
Michael McKillip, Mapleton-Fall Creek
Matt Albaugh, Meridian-Kessler
Matt Dickerson, Meridian-Kessler
Jeremy Stewart, Butler-Tarkington
Elizabeth Marshall, Broad Ripple Village
Gary Weaver, Broad Ripple Village
Tom Gallagher, Midtown
Chuck Cagann, Midtown
Kathy Shorter, Midtown

The Midtown Economic Development Council is comprised of representatives from the following neighborhood organizations: Mapleton-Fall Creek Community Development Corporation, Maple Road Development Association, Broad Ripple Village Association, Broad Ripple Alliance for Progress, Green Broad Ripple, Butler-Tarkington Neighborhood Association, Meridian-Kessler Neighborhood Association, Meridian Street Foundation, College Avenue Neighborhood Development Organization, and Midtown Indianapolis, Inc. These ten organizations represent a population of approximately 40,000 Marion County residents, 18,200 households, and an assessed value of over \$3 billion.

Although our neighborhood organizations have been disappointed at the extended schedule for implementation of the Midtown TIF, we have had representation at each of the TIF Study Commission meetings and appreciate the value and thoroughness of the process. With you, we have continued to learn. It is even clearer that the catalyst projects that we have identified over the past several years are exactly the types of projects that TIF should be used to stimulate. We are now even more prepared to work together with the City to overcome the obstacles we face.

Thank you for the opportunity to provide input to the Commission. We look forward to making the Midtown TIF a mutual success.

SUPPLEMENTAL INFORMATION SUBMITTED TO
THE INDIANAPOLIS TIF STUDY COMMISSION
MIDTOWN, INC.

INTRODUCTION AND BACKGROUND

For the past five years, volunteer community leaders in Midtown Indianapolis have invested substantial time, energy and financial resources in crafting a comprehensive, inclusive vision for community enhancement in the region.

Encompassing diverse residential, commercial and cultural areas within Mapleton-Fall Creek, Butler-Tarkington, Meridian-Kessler, and Broad Ripple Village, Midtown is the dynamic heart of Indianapolis.

The recent thorough assessment of Midtown's key neighborhoods, commercial nodes and infrastructure has brought to light several significant opportunities for dense, transit-ready strategic investment:

49th and College
Westfield and College
Fairfield and College
52nd and the Monon
38th and Illinois
30th and Central

Midtown neighborhoods are united in a desire to see this part of the metropolitan region benefit from current best practices in urban land use planning and smart economic development. Many potential catalyst projects have been identified to bring additional employment, residential capacity and green space to Midtown, stimulating not only pride of place and improvement in quality of life, but also the generation of substantial tax revenues.

Like much of Marion County, Midtown suffers from deteriorating infrastructure and housing that negatively affect the ability to attract investment. After careful consideration and collaboration with planning professionals, Midtown neighborhoods reached the conclusion in 2010 that a TIF is one of few financial tools that can assist the community in stemming further decay and stimulating economic growth.

1) COMMUNITY-DRIVEN PROCESS

Across Midtown, three organic neighborhood planning initiatives have been undertaken since 2006. Three dozen visioning sessions were facilitated by DMD staff and neighborhood leaders. More than 450 residents, business owners and other stakeholders participated in this comprehensive, inclusive planning process. A key focus was transit readiness and the disinvestment or poor quality investment in the commercial corridors in Meridian-Kessler, Butler-Tarkington, Broad Ripple Village and Mapleton-Fall Creek.

Goals:

- Address serious concerns regarding deteriorating conditions and understand reasons behind the steady outward migration of residents and businesses, particularly to Hamilton County
- Use DMD's evaluation of Neighborhood Health Indicators to identify areas of expanding instability and ways to address a turnaround
- Tap into Midtown's creative class –many of whom are urban design professionals –to work with their neighbors to learn about current best practices in community development: transit, density, complete streets, sustainable building, etc.
- Define and document the community's vision, analyze obstacles to progress and identify suitable tools to help achieve community goals.

Toward the end of the process, Midtown and the Maple Road Development Association raised \$150,000 through private contributions and grants to issue an RFP to engage a professional team to evaluate the aspirations of the Midtown community, review all plans since 1985, and recommend an implementation strategy based in market reality to achieve the desired goals. A team comprised of Mansur, Browning-Day, Greenstreet, and Eden Collaborative were retained to undertake the effort which resulted in the ***Midtown Future Plan 2010—Guiding Principles and Future Development Strategies*** (separately attached document.)

The community's specific aspirations were aligned with the Mayor's vision for infrastructure improvements. The team recommended creation of a Midtown Economic Development Area to use a range of financial tools, including TIF. In Spring of 2010, presentations were made to the Mayor, the Indianapolis Bond Bank, DMD and DPW leadership, as well as leaders in the business and philanthropic community.

2) DESIGNING FOR NEIGHBORHOOD SURVIVAL

Fewer new families are moving into the Midtown area and empty nester couples have generally chosen to remain in the area. While Midtown saw a 6% decrease in the total number of households between 1990 and 2009, the number of families with children dropped by 21%.

Smaller households, fewer families, and an increase in housing vacancies drive a projected population decline in Midtown. The number of residents over the age of 55 will continue to increase as the population ages, but younger age groups are projected to decline by almost 1500 residents over the next 5 years.

Midtown contains some of the highest value housing in Indianapolis as well as very low value housing to the south and east in the district. In the future, declines in housing value will begin to have a more dramatic impact on the value of Midtown to the City of Indianapolis.

What's the bottom line? Do we wait until Midtown declines too far for the marketplace to overcome? Or, do we make concentrated, focused investments to make Midtown a value generator for Indianapolis?

Growth has long been considered the measure of success for cities and their intricate economies. For most cities including Indianapolis, this has translated into an addiction to physical expansion that carries with it, big problems. Recently, Brad Beaubien, Ball State Professor of Urban Design, affirmed the above in a TIF Study Commission presentation.

Challenges:

- As metro areas mature, continued outward expansion damages the health of the overall system as the cost of extending infrastructure and services to the far reaches of a community often comes at the expense of necessary improvements or upkeep in core areas.
- A negative pattern ensues creating a decline of value and population that contributes to the slow deterioration of the city core neighborhoods' quality of life and prosperity.
- Switching to an alternative measure which speaks to a fuller future: Vitality.

A system driven by physical growth assumes development of any kind is better than nothing. In contrast, the measure of vitality recognizes the complex, integrated system of things that attract people to a place and keep it functioning in synchronous order. Significantly, the most vital and sustainable places are those that stand the test of time.

Great urban neighborhoods are powerhouses of vitality. A more concentrated population integrates commercial and residential uses and facilitates ease of movement in modes that encourage personal interaction. This, in turn, supports an inspiring public realm, and a mix of uses that not only provide services but opportunities for work and enjoyment.

These are the same ingredients that encourage the success of small businesses, one of the strongest drivers to a city's economy. The life of any single business is relatively short in comparison to the existence of a neighborhood. With this in mind, one of the worst investments a community can make is in suburban style single use building types that will remain vacant once that use has run its course.

Good urban buildings are a sound investment in the community because they are flexible and capable of easily accommodating many different uses over their lifetime. Streets are not "complete" without the buildings that define their edges, forming the walls of the outdoor room, activating the place and giving form to the public realm. They become part of the fabric that contributes to a neighborhood's vitality; as important a piece of infrastructure as sidewalks, signposts and sanitary sewers.

This type of development does not happen without intentionality. The City must take the first steps to offer incentives for such high quality private investment. TIF will help provide means for that incentive, to address the investment requirement gap that exists in Midtown for desirable development.

3) THE CASE FOR THE MIDTOWN TIF

In Fall, 2011, Midtown's commercial corridors were designated an Economic Development Area by the MDC and the City-County Council. While that designation is important, the Allocation District needs to be established in order to be able to utilize the needed resources.

Tax increment financing ("TIF") is an economic development tool which has been utilized in Indiana for more than 30 years. The power of TIF lies in its flexibility, targeted approach, and local control. Targeting development in Marion County's most challenged areas as well as strengthening the County's most precious assets, is critical to reversing suburban flight. Whether the challenges to be addressed stem from blight or other economic challenges such as lack of job growth, there is no proven tool as flexible, adaptable or as effective as TIF.

The fundamental theory of TIF is strong. It provides for a variety of self-financing mechanisms. Properly structured, transactions can produce strong new investment while protecting taxpayers. The full advantages of TIF have been well outlined by participants in the TIF Study Commission and documented further in the Commission's Preliminary Report.

Recent legislative changes have addressed some of the historic disadvantages of TIF. Statutory changes in 2005, 2008, and 2012 require that newly established TIFs sunset or expire in a period not longer than 25 years. Further, determinations are required annually as to the need for TIF proceeds and the excess funds can be passed back to the base. While the full impact of TIF's advantages and disadvantages are still not fully known, recent requirements for reporting will help us develop a more complete picture of TIF. In the meantime we believe it is evident that with proper oversight, TIF can continue to evolve as a key economic tool.

One conclusion is evident - if we are to attract significant private investment, a clear investment strategy must be articulated as a predictable path to success. Implemented with such a strategy, TIF can provide increasing assessed valuation (AV) in an incubated environment which will mature and return revenue to the base. AV within Marion County TIF Districts has grown when the rest of the county has not. Such growth is a clear sign that TIF Districts are effective at their goal, which is economic growth despite adverse conditions.

4) MIDTOWN TIF PROCESS

It is important to define a clear decision making path so that the process is predictable for developers, neighborhoods and the City. While thorough, the process should not be unduly burdensome or thwart desired development.

Process

The neighborhoods should be the primary source of recommendations for suitable projects

seeking TIF dollars. This ensures that proposals fit within the established placemaking vision for Midtown which gives priority to projects that contribute to employment, mixed use and density of residences and businesses, transit-orientation, and energy efficiency.

The community has established the Midtown Economic Development Council with representatives elected from neighborhood organizations. It will examine projects submitted by neighborhoods and recommend suitable projects for City and Council review. Recommended projects could follow the approval process currently used for other publicly funded endeavors: MDC approval followed by City-County Council approval. Elected officials including Midtown City County Councillors would be included in the review process from the early stages.

Oversight

Oversight may be performed by the City, the Council or a committee appointed by the City or the Council. Oversight should include reviewing the financial transactions, ensuring adherence to the identified decision making process and periodic reports.

Sunset Provisions

Provisions must be included to regularly evaluate TIF Districts. Once the original goals have been accomplished the TIF can be closed and the properties that were being captured in the District would then go back to the tax base.

District Design

The proposed Midtown TIF includes primarily commercial properties. However, there should be provisions to allow expansion of the boundaries in the event a property changes zoning from residential to commercial. This would allow the increase in assessed value of adjacent residential properties to go directly to the base.

5) CONSEQUENCES OF NOT ESTABLISHING A MIDTOWN TIF

As noted by Commissioner Mahern, Federal resources are likely to continue to diminish and will no longer be a major source for redevelopment efforts in our areas of greatest need. Creative uses of other resources such as designation of targeted infrastructure dollars as a match for TIF funds to achieve greater leverage should be considered.

Presentations during the TIF Study Commission meetings have made it painfully obvious that most of the other sources of funds for neighborhood investment have been eliminated. TIF has been utilized creatively to spur significant development activities in downtown Indianapolis and remains as one of very few viable tools for neighborhood economic development.

Without the incentive a TIF provides to stimulate quality urban development and fund long-overdue infrastructure improvements, Midtown can expect to see further deterioration. If Midtown continues to be plagued by suburban style convenience store and fast food establishments, lack of planning for transit and bicycle infrastructure, poor drainage, crumbling curbs and sidewalks, insufficient and less than inspiring green-space it will not be able to attract and retain vital residential and commercial constituencies. This will have a continued destabilizing influence on the entire metropolitan community by further eroding the tax base.

If a TIF is not created, another likely outcome is a decline in civic engagement. Neighborhoods that have spent several years crafting a vision of appropriate development would lose volunteers. Frustration, disgust and despair would replace hope, enthusiasm and commitment. What's the use of becoming engaged if community-based recommendations are ignored?

This, in turn, could result in additional population flight and further contribute to the cycle of decay that the proper application of TIF funds could stem.

Without a Midtown TIF, Indianapolis would miss an opportunity to capitalize on public/private partnerships that have evolved through patient, persevering volunteer action over the past decade.

APPENDIX 4: Letters from Community Organizations

Exhibit 6: Marion County Alliance of Neighborhood Associations



Marion County Alliance of Neighborhood Associations, Inc.

(established 1990)

P.O. Box 1082 * Indianapolis, IN 46206

(317) 862-1316 * www.mcanaindy.org

TO: THE INDIANAPOLIS MARION COUNTY COUNCIL TAX INCREMENT FINANCING STUDY
COMMISSION

RE: FINAL REPORT, dated June 28, 2012

DATE: June 28, 2012

Dear Commission Members;

A comprehensive review of the practices and policies regarding the establishment, administration and accountability of Tax Increment Financing has been a high priority of the Marion County Alliance of Neighborhood Associations for many years. We applaud the comprehensive efforts of the Commission in evaluating TIF's as an economic develop tool for Marion County.

Although we have not had an opportunity to thoroughly review the final report, a brief scrutiny of the Conclusions and Recommendations of the Final Report appear to address many of the issues perceived by the public as problematic. There is an critical need for TIF districts to be used with discretion and for those responsible for administering the TIFs to be held to the highest level of transparency and accountability with ample opportunities for the public and the taxing units impacted by the TIF districts to have input and information regarding TIF's.

We sincerely hope that the Council, and the State Legislature as appropriate, give serious weight and consideration to the deliberations of the TIF Commission and that no final and binding actions be taken until the public can review the final recommendations.

Again, we appreciate that the Commission has finally tackled a topic that has long needed attention.

Sincerely,

Catherine A. Burton, President